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## FISCAL IMPACT REPORT

SPONSOR: Campos DATE TYPED: 3/13/03 HB \_\_\_\_\_

SHORT TITLE: Study Conversion of Los Amigos Nursing Home SB SJM 61

ANALYST: Dunbar

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
			See Narrative		

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to SB 732, HB 288

### SOURCES OF INFORMATION

Responses Received From  
Department of Health (DOH)

### SUMMARY

#### Synopsis of Bill

Senate Joint Memorial 61 requests that DOH, with other appropriate agencies, conduct a feasibility study on the acquisition and operation of Los Amigos Nursing Home as a veteran's health care and nursing facility, using Veteran's Administration funding and other public and private funds. The memorial further requires that DOH's report be submitted to Health & Human Services and Legislative Finance Committees by October 21, 2003.

#### Significant Issues

This bill assumes that the facility may be available to be used as a veteran's home. But the issue could become moot if another private nursing home operator purchases the facility in the meantime.

**ADMINISTRATIVE IMPLICATIONS**

SJM 61 would require some DOH staff time and resources to conduct the study. This could be accommodated with existing resources.

**RELATIONSHIP**

This bill deals with the future use of Los Amigos Nursing Home in Santa Rosa, an objective shared in SB 732 and HB 288.

**OTHER SUBSTANTIVE ISSUES**

The Los Amigos Center is currently under state (DOH) management (receivership) because of financial difficulties. Receivership is required under state law when the health and safety of nursing home residents is at risk. The DOH has been hopeful that another nursing home company would buy the facility, which is owned by the USDA. So far no serious offers have been received. A recent contract between Los Amigos' Board and a broker may bring in some offers. If a buyer is not found and a decision to close the facility is made, it would take an additional 60 days to transition the current 16 residents to other facilities.

A study on the acquisition and operation of Los Amigos Nursing Home as a veteran's health care and nursing facility, using Veteran's Administration funding and other public and private funds, would give the Department another alternative in deciding the fate of Los Amigos. This study would need to be done in collaboration with the State Agency on Aging and Veterans Service Commission.

**BD/yr/njw**